

ADDENDUM TO THE FINAL STATEMENT OF REASONS

The following changes were authorized after the rulemaking file was sent to the Office of Administrative Law on June 27, 2003.

Corrections to the Regulatory Text:

- Non-substantive changes were made to underline and strikeout section 225.09, subsection (b)(3), section 225.60(b)(1) and the strikeout of section 225.45, subsection (d).
- The reference citations for section 225.33 were corrected to match current California Code of Regulations.
- Section 225.09, subsection (d) added ‘in regulation or in statute’.

Correction to the Final Statement of Reasons:

The following is clarification to the Final Statement of Reasons:

- *Exhibit 5: Economic and Fiscal Impact Statement (Standard 399)*

Finance signed an Economic and Fiscal Impact Statement on September 6, 2002. A transaction fee charged by the department for each completed transaction processed by each business partner was added to the proposed regulations by the department, thus requiring a second Economic and Fiscal Impact Statement to be sent to Agency and the Department of Finance. The Department of Finance declined to sign. Therefore, the regulations were rewritten to reflect the signed Economic and Fiscal Impact Statement. Therefore the current form, Standard 399, is still valid.

- *Exhibit 24:*

The Mailing Notice Statement for the proposed Regulatory text was corrected to include the mailing date. The Corrected Mailing Notice Statement and Date is provided in TAB number 39.

- *Exhibit 28:*

The Statement of Availability of the Modified Text was corrected to include the mailing date. The Corrected Statement of Availability and Date of the Notice of Modification of Proposed Regulations is provided in TAB number 40.

- *Exhibit 30:*

A public hearing was requested and then withdrawn. The request was withdrawn because the person requesting the public hearing was unclear as to the public hearing procedures. He was under the impression that a round table discussion with all interested parties would occur. After explaining the hearing procedures, that any one is allowed to speak but no discussion would occur, he declined the hearing and submitted the withdrawal in writing.

- *Exhibit 31*

An augmentation is needed on page 19 in the response to Dan Cinnamon comments. The statement that “alternative systems that accomplish the same goal are acceptable” is stated on page 9 in the IT Security Guidelines for Use in BPA Program, October 2002, under section 18 entitled “Alternatives”.

- *Exhibit 36:*

The survey was sent to all prior and current business partners. The survey was used to gather information to help the department make realistic decisions dealing with the business partner operations. The change in the maximum fee that a business partner may charge reflected the addition and deletion of a transaction fee. As the Department of Finance declined to sign the Economic and Fiscal Impact Statement, the fee was changed.

Additional Rulemaking requirements:

Government Code 11346.2(b)(4)

(Cost Impact on Private Persons or Businesses)

The department finds that the adoption of Section 156.00 in Article 3, Chapter 1, Division 1, of Title 13 of the California Code of Regulations, is expected to have an insignificant potential cost impact on private persons and minimal impact on businesses. Business partners are for-profit businesses and have the option to participate in the BPA program. These regulations have no impact on the ability of California businesses to compete with business in other states. No study or data were relied upon to make this determination.

Government Code 11346.2(b)(2)

No documents were relied upon to develop these regulations.

Documents Incorporated by Reference

It is not practical to publish the large volume of forms required for participation in the BPA program. The forms were identified by name and form number in the notices and sent to any interested party that asked for them. The documents are available from the department by telephoning the BPA Program Administrator and some of the forms are available on the department's internet web site.